

Assembly Bill No. 1459

Passed the Assembly August 17, 2009

Chief Clerk of the Assembly

Passed the Senate July 16, 2009

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2009, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 50675.1 and 50675.14 of the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 1459, Davis. Multifamily Housing Program: veterans.

Existing law establishes the Multifamily Housing Program under the administration of the Department of Housing and Community Development to provide a standardized set of program rules and features applicable to all housing types based on the department's California Housing Rehabilitation Program. Existing law authorizes a sponsor of a supportive housing development, as defined, to restrict occupancy to persons with veteran status if, among other things, the development is located on property that is owned or leased by the United States Department of Veterans Affairs or the California Department of Veterans Affairs and is leased to the sponsor for not less than 55 years.

This bill would delete the requirement that the development be located on property owned or leased by the United States Department of Veterans Affairs or the California Department of Veterans Affairs for the specified term. The bill would also define a certain phrase for purposes of authorizing a sponsor of a supportive housing development to restrict occupancy in the development.

The people of the State of California do enact as follows:

SECTION 1. Section 50675.1 of the Health and Safety Code is amended to read:

50675.1. (a) This chapter shall be known and may be cited as the Multifamily Housing Program.

(b) Assistance provided to a project pursuant to this chapter shall be provided in the form of a deferred payment loan to pay for the eligible costs of development as hereafter described.

(c) Except as provided in paragraph (3), on and after January 1, 2008, of the total assistance provided under this chapter, the percentage that is awarded for units restricted to senior citizens,

as defined in paragraph (1) of subdivision (b) of Section 51.3 of the Civil Code, shall be proportional to the percentage of lower income renter households in the state that are lower income elderly renter households, as reported by the federal Department of Housing and Urban Development on the basis of the most recent decennial census conducted by the United States Census Bureau.

(1) The department shall be deemed to have met its obligation under this subdivision if the assistance awarded is not less than 1 percent below the proportional share.

(2) This subdivision does not require the department to provide loans to projects that fail to meet minimum threshold requirements under subdivision (b) of Section 50675.7.

(3) Assistance for projects meeting the definitions in paragraphs (2) and (3) of subdivision (e) of Section 11139.3 of the Government Code and subdivisions (c) and (d) of Section 53260 shall be excluded from the total assistance calculation under this subdivision.

(4) The department shall determine the time period over which it will measure compliance with this section, but that period shall not be less than one year or two funding cycles, whichever period is longer.

(5) If, at the end of the time period determined by the department, the total amount of funding for which sponsors have submitted qualified applications is lower than the proportional share, the department may award the remaining funds to units that are not restricted to senior citizens.

(6) The department's annual report to the Legislature submitted under Section 50408 shall include a breakdown of funding awards between units restricted to senior citizens and units that are not age-restricted.

(d) This chapter shall be administered by the department and the department shall establish the terms upon which loans may be made consistent with the provisions of this chapter.

SEC. 2. Section 50675.14 of the Health and Safety Code is amended to read:

50675.14. (a) This section shall apply only to projects funded with funds appropriated for supportive housing projects.

(b) For purposes of this section the following terms have the following meanings:

(1) “May restrict occupancy to persons with veteran status” means that the sponsor may limit occupancy to persons meeting the criteria of paragraphs (1) and (2) of subdivision (h) with respect to either of the following:

(A) Any unit in the development that has not been previously occupied.

(B) Any unit in the development that subsequently becomes vacant, for a period of not more than 120 days following the vacancy.

(2) “Supportive housing” means housing with no limit on length of stay, that is occupied by the target population, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

(3) “Target population” means persons with low incomes having one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health conditions, or individuals eligible for services provided under the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) and may include, among other populations, adults, emancipated youth, families, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people.

(c) The criteria, established by the department, for selecting supportive housing projects shall give priority to the following:

(1) Supportive housing projects that house persons with disabilities who would otherwise be at high risk of homelessness, where the application for funding demonstrates collaboration with programs that meet the needs of the supportive housing residents’ disabilities.

(2) Supportive housing projects that include a focus on measurable outcomes and a plan for evaluation, which evaluation shall be submitted by the borrowers, annually, to the department.

(d) The department may provide higher per-unit loan limits as reasonably necessary to provide and maintain rents that are affordable to the target population.

(e) In an evaluation or ranking of a borrower's development and ownership experience, the department shall consider experience acquired in the prior 10 years.

(f) (1) A borrower shall, beginning the second year after supportive housing project occupancy, include the following data in his or her annual report to the department. However, a borrower who submits an annual evaluation pursuant to subdivision (c) may, instead, include this information in the evaluation:

(A) The length of occupancy by each supportive housing resident for the period covered by the report.

(B) Changes in each supportive housing resident's employment status during the previous year.

(C) Changes in each supportive housing resident's source and amount of income during the previous year.

(2) The department shall include aggregate data with respect to the supportive housing projects described in this section in the report that it submits to the Legislature pursuant to Section 50675.12.

(g) The department shall consider, commencing in the second year of the funding, the feasibility and appropriateness of modifying its regulations to increase the use of funds by small projects. In doing this, the department shall consider its operational needs and prior history of funding supportive housing facilities.

(h) Notwithstanding any other provision of law, the sponsor of a supportive housing development may restrict occupancy to persons with veteran status if all the following conditions apply:

(1) The veterans possess significant barriers to social reintegration and employment that require specialized treatment and services that are due to a physical or mental disability, substance abuse, or the effects of long-term homelessness.

(2) The veterans are otherwise eligible to reside in an assisted unit.

(3) The sponsor also provides, or assists in providing, the specialized treatment and services.

Approved _____, 2009

Governor